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DEPARTMENT OF STATE

[Public Notice 8381]

Bureau of International Security and Nonproliferation:

Report to Congress Pursuant to Section 1245(e) of the National Defense Authorization Act for Fiscal Year 2013 (FY13 NDAA)

AGENCY: Department of State.

ACTION: Notice of Report.

FOR FURTHER INFORMATION CONTACT: On general issues: Office of

Counterproliferation Initiatives, Department of State,

Telephone: (202) 647-5193.

REPORT (July 1, 2013):

Section 1245(e) of the FY13 NDAA, known as the Iran Freedom and Counter-Proliferation Act of 2012, as delegated by the President, requires that the Secretary of State, in consultation with the Secretary of the Treasury, determine (1) whether Iran is (A) using any of the materials described in subsection (d) of Section 1245 of the FY13 NDAA as a medium for barter, swap, or any other exchange or transaction; or (B) listing any of such materials as assets of the Government of Iran for purposes of the national balance sheet of Iran; (2) which sectors of the economy of Iran are controlled directly or indirectly by Iran's Islamic Revolutionary Guard Corps (IRGC); and (3) which of the materials described in subsection (d) are used in connection with the nuclear, military, or ballistic missile programs of Iran. Materials described in subsection (d) of Section 1245 are graphite, raw or semi-finished metals such as aluminum and steel, coal, and software for integrating industrial processes.

We anticipate that regulations implementing Section 1245 will include 31 materials under this definition.

Following a review of the available information, and in consultation with the Department of the Treasury and the Intelligence Community, the Under Secretary of State for Political Affairs has determined, pursuant to further delegated authority, that Iran is not using the materials described in the FY13 NDAA Section 1245(d) as a medium for barter, swap, or any other exchange or transaction, or listing any such materials as assets of the Government of Iran for purposes of the national balance sheet of Iran, as specified in Section 1245(e)(1)(B).

Following a review of the available information, and in consultation with the Department of the Treasury and the Intelligence Community, the Under Secretary of State for Political Affairs has determined, pursuant to further delegated authority, that the IRGC exercises indirect control over Iran's energy sector.

Following a review of the available information, and in consultation with the Department of the Treasury and the Intelligence Community, the Under Secretary of State for Political Affairs has determined, pursuant to further delegated authority, that of the 31 materials expected to be included within the scope of subsection (d), certain types of the following materials are used in connection with the nuclear, military, or ballistic missile programs of Iran: aluminum; beryllium; boron; cobalt; copper; copper infiltrated tungsten; copper-beryllium; graphite; hastelloy; inconel; magnesium; molybdenum; nickel; niobium; silver infiltrated tungsten; steels (including, but not limited to, maraging steels and stainless

steels); titanium; titanium diboride; tungsten; tungsten carbide; and zirconium.

July 1, 2013

Date

Thomas M. Countryman
Assistant Secretary of
State for International
Security and
Nonproliferation

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